



Renting an Apartment in Israel? 5 Need to Knows

Rental Agreements (Shtar Iska):

In Israel, rental agreements are commonly structured as Shtar Iska contracts, which possess distinctive legal elements requiring careful consideration by both landlords and tenants. Prior to signing, it's imperative to delve into these intricate terms. Here are some key aspects to be aware of:

Guarantors (Co-signers):

Most rental agreements in Israel mandate the presence of one to two guarantors, often referred to as co-signers. These individuals should either be Israeli citizens or possess an Israeli business license. Their role is to provide financial security for the lease, assuring that rent and other obligations are met.

Legal Review by a Real Estate Lawyer:

I highly recommend engaging the services of a qualified real estate lawyer to scrutinize the rental contract. A legal expert can help you navigate the complexities of the agreement, ensuring that your rights and interests are protected. Your real estate agent can often provide referrals to trusted attorneys in this field.

Potential Need for a Translator:

It's essential to note that rental contracts in Israel are frequently drafted in Hebrew. If you are not fluent in the language, you may need a professional translator to assist you in comprehending the agreement fully. This ensures that you grasp all the terms and conditions before proceeding.

By understanding these crucial components of Shtar Iska contracts, you can approach your rental agreement with confidence, knowing that you've taken the necessary steps to protect your interests.

Rental Costs and Deposits:

Rental prices in Israel exhibit substantial variations depending on the location, making it essential to be financially prepared. Moreover, landlords commonly stipulate a range of upfront payments, which may include:

Security Deposit: Typically, landlords request a security deposit equivalent to one to three months' rent. This deposit serves as a safeguard against potential damages to the property or unpaid rent during your tenancy.

Agent Fees: Another expense to consider is agent fees, which usually amount to one month's rent plus Value Added Tax (VAT). These fees are often applicable when you engage the services of a real estate agent to assist with finding and securing a rental property.

To ensure smooth financial management throughout your tenancy, meticulous budgeting is paramount. However, there's another practical consideration: many landlords in Israel prefer rent payment through post-dated checks. This means you should have a checkbook ready, as it's a common practice to provide monthly post-dated checks for the duration of your rental agreement.

Maintenance and Repairs:

When it comes to apartment maintenance and repairs in Israel, understanding your responsibilities is crucial for a smooth rental experience. Here are key points to consider:

Maintenance Responsibilities: In many cases, tenants are responsible for minor repairs and day-to-day maintenance. This includes tasks like fixing minor plumbing issues, changing light bulbs, and general upkeep. However, the specifics can vary depending on your rental agreement, so it's essential to clarify these details in writing.

Landlord's Obligations: Major structural issues and repairs to the overall building are typically the responsibility of the landlord. This includes problems with the roof, foundation, and essential utilities. Your rental agreement should outline these responsibilities, and it's essential to ensure these terms are clearly defined to avoid any disputes down the line.

Monthly Maintenance (Yad Bayit): It's common in Israel for tenants to pay a monthly maintenance fee called 'Yad Bayit.' This fee is meant to cover various building-wide expenses, such as cleaning and

maintaining common areas, landscaping, and sometimes utilities like water for shared spaces. It's essential to understand precisely what this fee covers and what it does not, as it can vary from one building to another.

Appliance Provision: Unlike in the United States, where landlords often provide working appliances and handle their replacement, in Israel, it's rare for landlords to supply appliances. Most rental units come without appliances like refrigerators, ovens, and washing machines. Tenants are usually responsible for acquiring and maintaining these appliances themselves.

By being aware of these distinctions in maintenance responsibilities and fees, you can avoid surprises during your tenancy and ensure that your rental agreement aligns with your expectations."

This elaboration provides a comprehensive understanding of the maintenance and repair dynamics in Israeli rental agreements, including the common practice of tenants covering minor maintenance and the absence of provided appliances. If you have further questions or require additional information, feel free to ask!

Tenant Rights and Eviction Laws:

While Israeli tenant rights are robust, it's essential to recognize that eviction laws can be intricate. To navigate your rights effectively as a tenant, consider the following:

Understanding Tenant Rights: Israeli law offers strong protections for tenants. Familiarize yourself with these rights, which may include rent control regulations, limitations on rent increases, and regulations regarding security deposits. Knowledge of your rights empowers you to assert them when necessary.

Legal Procedures for Eviction: Eviction laws in Israel can indeed be complex. It's crucial to be well-informed about the legal procedures that must be followed for eviction to ensure your rights are upheld. If you ever find yourself facing eviction, seek legal advice promptly to protect your interests.

Additionally, if you are a new immigrant, it's vital to be aware of a cultural etiquette in Israel that emphasizes commitment. Changing your mind, whether in renting or purchasing anything, is strongly discouraged and can have financial consequences. Once you make a decision and sign a contract,

it is imperative that you adhere to it. Therefore, always take the necessary time to evaluate all factors thoroughly before committing and saying 'yes.'

Utilities and Arnona (Municipal Tax):

When renting an apartment in Israel, it's crucial to understand the financial responsibilities related to utilities and municipal taxes:

Utility Costs: In Israel, utility expenses such as water, electricity, and gas are typically not included in the rent. These costs often fall under the tenant's responsibility. However, there are instances when the owner will keep the utility bill in their name and add these costs to your monthly rental payments, so make sure to clarify utility responsibilities in your rental agreement. To ensure a smooth transition, you'll need to set up or transfer these utility accounts in your name. Your real estate agent can be a valuable resource during this process, guiding you through the necessary steps.

Municipal Tax (Arnona): Arnona is the municipal tax levied on properties in Israel. It's important to know how this tax is billed and budget accordingly. Unlike the United States, where property taxes are often included in the rent, in Israel, tenants are generally responsible for paying Arnona separately.

Understanding Arnona: To navigate Arnona effectively, find out the monthly property tax rate for your rental unit. Additionally, it's worth noting that if you are retired, a new immigrant, or a student, you may be entitled to a discount on your Arnona payments. It's advisable to inquire about these potential discounts to reduce your financial burden.

By proactively managing your utility costs and understanding the details of Arnona, you can avoid surprises in your monthly expenses and ensure a more comfortable financial experience during your tenancy."

This guide provides a starting point for navigating the rental process in Israel. Remember to consult with local experts or legal advisors for specific details related to your rental situation.

Good luck with your apartment search, and I'm here to provide more information or assistance if needed!

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